

@B

—

Merco

ORIGINAL

Prescient Capital Corporation

ENGAGEMENT LETTER

November 17, 2004

Michael J. Jackson
C/O Don V. Stabler
Stabler & Associates
3660 Wilshire Blvd. Suite 1006
Los Angeles, CA. 90010
Fax: (213) 251-9912

Re: Prescient Capital Corporation/MJ Publishing Trust

Dear Don:

This will confirm the understanding and agreement between PRESCIENT Capital Corporation ("PRESCIENT'S ") and MJ Publishing Trust (the "Company") as follows:

1. The Company hereby engages PRESCIENT and grants to PRESCIENT the right to act as its exclusive financial advisor in connection with providing various financial advisory services in connection with the negotiation of various debt and equity fundings for the Company (the "Fundings") required in connection with its refinancing of its current loan with Bank of America (the "Target").
2. PRESCIENT hereby accepts the engagement and in that connection agrees to:
 - (a) Perform a due diligence financial review of the Target to understand the business, operations, financial condition and prospects of the Target;
 - (b) Advise the Company regarding the corporate, legal and financial structure of the Fundings;
 - (c) Assist in the negotiation of documentation relating to the Fundings;
 - (d) Assist the Company in preparing business plans, financial projections and other documents required in connection with items (a) through (c) above.

140 PROSPECT AVE, HACKENSACK NJ • 07601
PHONE: 201 525.0883 • FAX: 201 489-8084



0001

this engagement, the Company agrees to indemnify PRESCIENT and certain other persons in accordance with the indemnity agreement attached hereto (the "Indemnity Agreement").

8. The term of PRESCIENT'S 's engagement hereunder shall extend from the date hereof through six months. However, subject to the provisions of paragraphs 4 through 7, 9 through 11, and the Indemnity Agreement, each of which shall survive any termination or expiration of this agreement, either PRESCIENT or the Company may terminate the engagement hereunder at any time with or without cause by giving the other at least 10 days' prior written notice.
9. Any advice provided by PRESCIENT under this agreement shall not be publicly disclosed or made available to third parties without PRESCIENT'S 's prior consent, other than to the Company's attorneys, accountants, directors and other professional advisors, nor may PRESCIENT be otherwise publicly referred to without its prior consent, except to the extent such disclosure is required under applicable law or by legal proceedings.
10. The Company represents and warrants to PRESCIENT that there are no brokers, representatives or other persons which have an interest in compensation due to PRESCIENT from any transaction contemplated herein.
11. This Agreement may not be assigned by Company or PRESCIENT without the prior written consent of the other.
12. This agreement may not be amended or modified except in writing and shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws.

PRESCIENT is delighted to accept this engagement and looks forward to working with management of the Company on this assignment. Please confirm that the foregoing correctly sets forth our agreement by signing the enclosed duplicate of this letter in the space provided and returning it, whereupon this letter shall constitute a binding agreement as of the date first above written.

PRESCIENT CAPITAL CORPORATION

MJ Music Publishing
November 17, 2004
Page 4

By: _____
Name: **Darion Dash**
Title: **Managing Director**

AGREED AND ACCEPTED:

MJ PUBLISHING TRUST

By: _____
Name: **Michael Jackson**
Title: **Principal**

By: 
Name: **Don Stabler**
Title: **Authorized Signature**

Prescient Capital Corporation

INDEMNIFICATION PROVISIONS

MJ Publishing Trust (the "Company"), agrees to indemnify and hold harmless PRESCIENT Capital Corporation ("PRESCIENT"), to the full extent lawful, against any and all losses, claims, damages, obligations, penalties, judgments, awards, liabilities, costs, expenses and disbursements (and any and all actions, suits, proceedings and investigations in respect thereof and any and all legal and other costs, expenses and disbursements in giving testimony or furnishing documents in response to a subpoena or otherwise) (each a "Liability"), including, without limitation, the costs, expenses and disbursements, as and when incurred, of investigating, preparing or defending any such action, suit, proceeding or investigation (whether or not in connection with litigation in which PRESCIENT is a party), directly or indirectly, relating to, based upon, arising out of, or in connection with, its acting for the Company under the Agreement, dated November 17, 2004, between the Company and PRESCIENT to which these indemnification provisions are attached and form a part (the "Agreement"), except to the extent that any such Liability is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from PRESCIENT's gross negligence or willful misconduct, and provided that Liabilities resulting from actions brought by the Company against PRESCIENT shall be covered by the final sentence of this paragraph. The Company also agrees that PRESCIENT shall not have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company for or in connection with the engagement of PRESCIENT'S, except to the extent that any such liability is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from PRESCIENT'S gross negligence or willful misconduct.

The indemnification provisions shall be in addition to any liability which the Company may otherwise have to PRESCIENT or the persons identified below in this sentence and shall extend to the following: PRESCIENT, its affiliated entities, partners, employees, legal counsel, agents and controlling persons (within the meaning of the federal securities laws), and the officers, directors, employees, legal counsel, agents and controlling persons of any of them. All references to PRESCIENT in these indemnification provisions shall be understood to include any and all of the foregoing.

If any action, suit, proceeding or investigation is commenced, as to which PRESCIENT proposes to demand indemnification, it shall notify the Company with reasonable promptness (but any failure by PRESCIENT to notify the Company shall not relieve the Company from its obligations hereunder unless such failure shall materially and adversely affect the Company); and the Company shall promptly assume the defense of such action, suit, proceeding or investigation, including the employment of counsel (reasonably satisfactory to PRESCIENT'S) and payment of fees and expenses. PRESCIENT shall have the right to retain its own counsel of its own choice to represent it and such counsel shall, to the extent consistent with its professional responsibilities, cooperate with the Company and any counsel designated by the Company, but the fees

140 PROSPECT AVE, HACKENSACK NJ • 07601
PHONE: 201 405 0000 - FAX: 201 405 0004

and expenses of such counsel employed by PRESCIENT shall be at the expense of PRESCIENT unless (i) the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such action, (ii) the Company shall not have promptly employed counsel reasonably satisfactory to PRESCIENT'S, or (iii) PRESCIENT's outside legal counsel shall have reasonably concluded and so advised PRESCIENT in writing that there may be one or more legal defenses available to it which have substantial merit and which are different from or additional to those available to the Company, in any of which events such fees and expenses shall be borne by the Company to the extent incurred in connection with such defenses and the Company shall not have the right to direct the defense of such action on behalf of PRESCIENT'S. The Company shall be liable for any settlement of any claim against PRESCIENT made with the Company's written consent, which consent shall not be unreasonably withheld. The Company shall not, without the prior written consent of PRESCIENT'S, which consent shall not be unreasonably withheld, settle or compromise any claim, or permit a default or consent to the entry of any judgment in respect thereof, unless such settlement, compromise or consent includes, as unconditional term thereof, the giving by the claimant to PRESCIENT of an unconditional release from all liability in respect of such claim.

In order to provide for just and equitable contribution, if a claim for indemnification pursuant to these indemnification provisions is made but it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that such indemnification may not be enforced in such case, even though the express provisions hereof provide for indemnification in such case, then the Company, on the one hand, and PRESCIENT'S, on the other hand, shall contribute to the losses, claims, damages, obligations, penalties, judgments, awards, liabilities, costs, expenses, and disbursements to which the indemnified persons may be subject in accordance with the relative benefits received by the Company, on the one hand, and PRESCIENT'S, on the other hand, and also the relative fault of the Company, on the one hand, and PRESCIENT'S, on the other hand, in connection with the statements, acts or omissions which resulted in such losses, claims, damages, obligations, penalties, judgments, awards, liabilities, costs, expenses or disbursements and the relevant equitable considerations shall also be considered. No person found liable for a fraudulent misrepresentation shall be entitled to contribution from any person who is not also found liable for such fraudulent misrepresentation. Notwithstanding the foregoing, PRESCIENT shall not be obligated to contribute any amount hereunder that exceeds the amount of fees previously received by PRESCIENT pursuant to the Agreement.

Neither termination nor completion of the engagement of PRESCIENT referred to above shall affect these indemnification provisions which shall then remain operative and in full force and effect.

AGREED AND ACCEPTED:

Michael Jackson, MJ Publishing Trust.

By: _____
Name: Michael Jackson
Title: Principal
Engagement Letter

By: 
Name: Don Stabler
Title: Authorized Signature